Minutes from the Nov. 16, 200 Meeting of the San Mateo County Utilities and Sustainability Task Force

(as amended)

Next meeting: Thursday, Dec. 14, 3-5 pm

First meeting in 2007: Thursday, Jan. 18, 3-5 pm

In attendance:

Barbara Pierce, Mayor of Woodside
Sepi Richardson, Brisbane City Council
Nicole Sandkulla, BAWSCA
Bob Cormia, Sustainable Silicon Valley
Jerry Hill, San Mateo County Board of Supervisors
Terry Nagel, Vice Mayor of Burlingame
Bill Dickenson, Belmont City Council
Deborah Gordon, Mayor of Woodside
Kathy Lavezzo, PG&E
Bruce Chamberlain, ABAG Energy Watch
Mukesh Khattar, Oracle
Jill Boone, San Mateo County (staff)
Gina Blus, Facilitator (staff)
Richard Napier (CCAG)

Not present:

Mario Panoringan, Colma-Daly City Chamber of Commerce

Action Items

<u>Jerry & Kathy</u>: investigate whether San Mateo County has any input or approval on the peaker power plant proposed for SFO

<u>Kathy</u>: gather reports on local government energy-efficiency projects (including schools, if available)

<u>Bruce</u>: contact elected team members about ABAG Energy Watch programs

<u>Staff</u>: revamp goals per discussion, adding overall usage cap on electricity and providing analysis of per capita or absolute emissions cap, as opposed to a percent reduction

<u>Gina</u>: check with Sam Pierce to get related report

Notes

Two members of the Sierra Club attended and offered to assist the cities in any way possible, as part of the Club's major initiative on climate change (called Cool Cities). One of them, Rafael Reyes, asked the task force to consider the environmental and economic impact if no action is taken on global warming and greenhouse gas (GHG) emissions.

A member of the public spoke and asked the task force to bear the following in mind:

• goals must start with each of us and our individual actions

- cities should be directed to consider hybrid, electric and alternative-energy fueled vehicles when replacing or augmenting city fleets; also consider the Plug-in Partners campaign (http://www.pluginpartners.org) advocating for plug-in hybrids (estimated 100 mpg)
- construction waste is excessive, and all adults should be encouraged to visit a landfill to see the effects of their actions
- LED lights are an important part of energy efficiency

Recap of recent meetings

<u>CAISO Stakeholder Transmission Planning</u>: Jill attended the quarterly stakeholder meeting in Folsom and confirmed that it is where projects are first proposed and discussed. No new projects were introduced for San Mateo County at the November meeting. Jill urged the planners to include a brief description of the scope and impact of projects in terms of the construction (e.g. can cities expect 2 days of truck activity, or 2 months of road closure?) as part of the process.

The meeting included discussion on increased transmission capacity to allow transmission from Wyoming and Canadian markets to help PG&E meet its 20% renewable energy quota by 2010. Jill questioned the desirability of building new transmission lines to bring in power across such distances and suggested we may want to consider local renewables as part of the strategy.

ABAG Energy Watch kickoff: The San Mateo kickoff on 11/13 was intended to help local government officials understand the elements of the 2006-08 program and the wide range of FREE services available to Bay Area cities and counties. Under the program, cities can get up to two years of their baseline energy use documented, prioritized recommendations on ways to save energy, help in finding funding, and assistance with project implementation. Nine San Mateo cities were represented, although only Redwood City was present from the five cities with a USTF member. Bruce urged task force members to take information back to public works officials, since services are provided on a first-come, first-served basis. Jill gave a presentation at that meeting regarding the successful partnership the County has had with the Energy Watch program.

<u>Air District Climate Protection Summit</u>: Barbara and Jerry both described the gathering of Bay Area leaders on 11/10 as very impressive, and keynote speaker Al Gore's presentation as powerful. The afternoon roundtable for policy makers was useful, and prompted Barbara to start thinking about how to present material on climate change to her colleagues. She echoed Gore in saying, "The time for evaluation is over. It's time to get going."

Jerry agreed and found the local statistics effective in communicating the projected economic and environmental impact of climate change, as well as the short timeframe involved—the lifetimes of his children and grandchildren. ABAG and the Air Board volunteered to spearhead an effort to establish a clearinghouse for best practices.

A reminder: Bob Cormia from our task force is available to do presentations on CO₂ to any City Council or other group that is interested. Contact Bob (<u>rdcormia@earthlink.net</u>) to schedule a presentation. Jill is available as well to talk about energy and green building issues, what's available, possible policies etc.

Jill shared a map showing the impact of a 20' rise in sea levels on the Bay Area. Highway 101 and virtually the entire bayside shoreline in the county would be underwater.

Climate change organizations and their reduction goals

Jill reviewed the CO₂ Organization Goals chart, comparing the specific CO₂ or GHG reduction goals adopted by several organizations active in our area. The Mayors Climate Protection Agreement mirrors the Kyoto Protocol's call for a 7% reduction below 1990 levels. The pledge can be signed by a mayor alone, but it is recommended that it be endorsed by a City Council. ¹ The target equates to approximately 20% below today's emissions.

The Climate Action Registry (CAR) began 4 years ago to allow groups to officially track their emissions and reductions before a regulatory structure is in place. It is intended to ensure that entities getting an early start on reducing emissions receive full credit for their results if/when these reductions become mandatory. A group can report its own emissions, but entries must be corroborated by an accredited third party organization. Entities that submit a Statement of Intention by 12/31/06 will be "grandfathered in" and be able to use their current reporting protocol under the regulatory model to be defined by the California Air Resource Board for AB32.²

Sustainable Silicon Valley is a local nonprofit serving San Mateo, Santa Clara and the southern part of Alameda Counties. It has set a regional goal of reducing CO₂ emissions to 20% below 1990 levels by 2010, although its private and public sector members can set whatever goal they choose. The County is a pledging partner at SSV. ICLEI is an international nonprofit that works with local governments. Its Cities for Climate Protection Campaign (CCCP) also allows cities to choose their own goals.

<u>Fees</u>: It's difficult to discern the fee structure for many of these organizations. Climate Action Registry has a sliding scale for annual fees, ranging from \$200 to \$7500, based on revenues or operating budgets³. The County pays \$1000 per year to Sustainable Silicon Valley, which again are based on size of organization.

Lessons from Sonoma

¹ Atherton's outgoing mayor proposed joining the list of signatories at a City Council meeting on 11/15, but the measure was sent to staff and the environmental committee for further review. Concerns were voiced that the town did not know how it would meet the goal and that this should be part of the proposal

² http://www.climateregistry.org/HOWANDWHY/How/

³ See http://www.climateregistry.org/HOWANDWHY/Fees/ for details.

Sam Pierce, the vice mayor of Sebastopol, joined by phone to discuss the approach taken by Sonoma County in targeting GHG reductions. The effort was started by Ann Hancock of the non-profit Climate Protection Campaign, who first won commitment from individuals in each city and the county, and then brought all the elected officials together to adopt a community-wide GHG reduction goal.

Sebastopol set an aggressive target to reduce its emissions by 42% below 2000 levels by 2010. Its action plan includes projects already undertaken by the city since 2000, projects in the planning stages and ones recommended by the ABAG Energy Watch program – 24 measures in all. The key to its success was in demonstrating to the city manager and others that reducing GHG is a good business practice, not a sacrifice for climate protection. Sam emphasized to staff that they can be fiscally responsible and will not have to spend much of their time figuring out how to meet the goal.

Involving staff

It's important to give an overview to the staff members who will gather data or implementing solutions, especially an estimate of their time commitment and the expected financial benefits to the city. While pulling together the plan, he was sensitive to asking as little of staff as possible.

Calculating the benefits

Sam developed a financial analysis tool that demonstrates how, *when taken as a whole*, Sebastopol's 24 measures generate positive cashflow and will yield more than \$1M of savings over a 25-year investment period, with a very attractive internal rate of return (IRR) and net present value (NPV). Assumptions are stated explicitly and inputs can be easily changed. Sam let the Sebastopol City Manager choose the numbers with which he was most comfortable (e.g. the rate of increase in the cost of energy, the lifespan of a solar inverter.) When these numbers still showed an attractive investment, the City Manger was convinced and threw his support behind the plan. By avoiding haggling over individual factors, the conversation stays focused on the financial benefits of the plan.

The big gains come from the compound effect of doing all the measures, not just the ones with the fastest payback. Some of the costliest and most challenging projects offer the best long term rewards.

3-step process

The path followed by Sebastopol, then the county, and now other cities, is to:

- 1. create a baseline
- 2. set targets
- 3. develop an action plan

The Climate Protection Campaign obtained usage data from staff and one person did the vast majority of the baseline calculations. It cost approximately \$10,000 for Sebastopol to establish its baseline.

It took approximately 2 months and \$10,000 to develop the Sebastopol action plan, which identified and quantified the economic and GHG benefits of 24 specific measures. Sam recommended working through the process quickly, documenting assumptions and using benchmarks where necessary (rather than specific metrics) instead of taking far more time to create an exhaustive document.

A larger city with a population of 150,000-200,000 might require more measures, and more complex measures, perhaps as many as 100. Extra effort would be required to validate the calculations, and so might cost 2-3 times as much. Note that these estimates are the cost to develop the plan, not to do all the measures, which must be funded on an individual basis.

Funding

Energy-saving projects analysis and identification and application for rebates are offered free by Energy Watch and rebates are funded through CPUC "public goods charge" programs; the implementation of the projects and those that don't directly reduce energy usage (like solar panels) are funded by the cities themselves or have been funded by the Climate Protection Campaign and can often have quick payback periods. Paying for other projects, like measuring and reducing commutes, is still TBD.

USTF goals

There are multiple ways to measure GHG emissions, and thus reductions: per capita, per square foot, by revenues or size of budget. Baselines and percentages were used in the Kyoto Protocol to establish a common framework and are frequently employed, but aren't required. We could set an absolute limit on emissions for the county, or a percapita goal that addressed population growth and social equity issues.

Other feedback on the proposed goals included:

- if we choose to use a baseline, don't use 1990 levels it will be too hard to get data. consider using a 2000 or 2005⁴ baseline instead
- start with what we are trying to achieve: maintain our high quality of life, with clean air and water; ensure adequate resources; protect the community
- include an overall electricity usage goal, not just a peak usage goal
- focus on reducing the use of *carbon-based* energy (not all energy per se) and improving water efficiency
- use terms that are easy to understand (avoid jargon)
- provide analysis about the impact of an absolute or a per-capita goal on the different communities, those with large vs. small populations, high vs. low usage

Roundtable/ news

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⁴ The ABAG Energy Watch program can provide up to 2 years of baseline data. San Mateo County used 2005 to set their goals.

Jerry said he recently received the Environmental Impact Report for a new peaker plant to be built in San Mateo County, at or near SFO, and wonders if the County will have any input or approval. He and Kathy will investigate further.

The DVD of <u>An Inconvenient Truth</u> is due out this month; Deborah and Sepi are each interested in scheduling a showing in their area

The Green Dollhouse Auction is 11/29, and Jill urged all to consider attending and buying a dollhouse for educational or other purposes.

Bill forwarded a notice about California Communities Go-Solar Initiative, a program that helps make solar more affordable for cities. (Gina sent out 11/17/06)

NOTE: USTF's first meeting in 2007 is 1/18/07. CMEQ's next meeting is scheduled for 1/29/07.